



COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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GAIL FARBER, Director

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P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

February 05, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

15 February 5, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**RESCIND AWARD OF A PUBLIC WORKS CONSTRUCTION CONTRACT
AND AWARD THE PUBLIC WORKS CONSTRUCTION CONTRACT
TO ANOTHER BIDDER
ALOSTA AVENUE BRIDGE OVER LITTLE DALTON WASH
SIDEWALK IMPROVEMENT PROJECT
IN THE CITY OF AZUSA
DELEGATE AUTHORITY TO AMEND COOPERATIVE
AGREEMENT NO. 77401 BETWEEN
THE CITY OF AZUSA AND THE COUNTY OF LOS ANGELES
ADOPT RESOLUTION NO. 3932 FOR HIGHWAYS-THROUGH-CITIES CONTRIBUTION
(SUPERVISORIAL DISTRICT 1)
(4 VOTES)**

SUBJECT

This action is to rescind the award of a public works construction contract to B-One Construction Company, Inc., and award it to O'Donnell Construction, Inc.; authorize the Director of Public Works or her designee to execute the contract for work in the City of Azusa; authorize the Director of Public Works or her designee to amend Cooperative Agreement No. 77401 between the City of Azusa and the County of Los Angeles providing for the financing and delegation of responsibilities for the design and construction of sidewalk improvement project; and authorize the contribution of additional County Highways-Through-Cities funds to the City of Azusa for sidewalk improvements on the Alost Avenue Bridge over Little Dalton Wash project.

IT IS RECOMMENDED THAT THE BOARD:

1. Relieve B One Construction Company, Inc., of its bid due to a clerical error in filling out its bid, and based thereon, rescind the award of the public works construction contract to B One

Construction Company, Inc.

2. Award and authorize the Director of Public Works or her designee to execute the construction contract in the form previously approved as to form by County Counsel with O'Donnell Construction, Inc., the next lowest responsive and responsible bidder that is willing to hold its original bid price, and establish the effective date following receipt of approved Faithful Performance and Labor and Material Bonds and insurance filed by the contractor for Project ID No. RDC0015291 – Alosta Avenue over Little Dalton Wash, to construct a bridge sidewalk, in the City of Azusa, to O'Donnell Construction, Inc., in the amount of \$213,668.
3. Authorize the Director of Public Works or her designee to amend Cooperative Agreement No. 77401 between the City of Azusa and the County of Los Angeles providing for the financing and delegation of responsibilities for the design and construction of the sidewalk improvements on Alosta Avenue Bridge over Little Dalton Wash project and providing for a maximum County of Los Angeles contribution of \$374,300 to the project.
4. Adopt Resolution No. 3932 finding that the project is of general County interest and that the County of Los Angeles' aid, in the form of Highways Through Cities funds contribution toward the cost of project for increased construction costs, is thereby increasing from \$307,700 to \$348,600 plus contingencies in the amount of \$25,700 for the cost of unforeseen items that may occur for a maximum County of Los Angeles contribution of \$374,300.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to obtain approval from the Board to relieve B One Construction Company, Inc. (B-One), the lowest responsive and responsible bidder, of its bid due to a clerical error by B-One in filling out its bid; rescind the award of the contract to B-One, since contractor has not commenced any of the work under the contract; award the contract to the next lowest responsive and responsible bidder that is willing to hold its original bid price, O'Donnell Construction, Inc.; authorize the Director of Public Works (Director) or her designee to execute the contract and establish the effective contract date following receipt of approved Faithful Performance and Labor and Material Bonds and insurance certificate filed by contractor for this project; and delegate authority to the Director or her designee to amend Cooperative Agreement No. 77401 between the City of Azusa (City) and the County of Los Angeles (County) providing for the financing and delegation of responsibilities for the design and construction of the sidewalk improvements on Alosta Avenue Bridge over Little Dalton Wash project. Delegation of authority to the Director or her designee to amend the cooperative agreement with the City is necessary to expedite the processing of the agreement to enable the construction of the project at the earliest possible date.

Additionally, this action authorizes an additional County contribution of \$66,600 in Highways-Through-Cities (HTC) funds for a total of \$374,300 to be applied toward the completion of the Alosta Avenue Bridge over Little Dalton Wash project.

On December 13, 2011, Agenda Item 26, the Board approved the project; adopted the revised plans and specifications; instructed the Executive Officer of the Board of Supervisors to advertise for bids to be received and opened on January 19, 2012; and authorized the Director or her designee to award and execute a construction contract with the apparent lowest responsive and responsible contractor with a bid within the estimated cost range.

On January 19, 2012, twelve bids were opened, and the contractor with the apparent lowest

responsive and responsible bid was B-One, in the amount of \$167,068.65. On April 18, 2012, under delegated authority from the Board, the Director awarded the contract to B-One, and on July 17, 2012, the contract was executed. On August 21, 2012, and thereafter, the Department of Public Works (Public Works) staff met with B-One to discuss project specifics, and B-One informed Public Works that it had made a clerical, mathematical mistake in filling out its bid, which caused its bid to be materially different (\$32,500 less) than B-One intended it to be. Consequently, B One requested to be relieved of its bid and for the contract award to be rescinded.

State Public Contract Code Sections 5100 through 5103 permits an awarding authority to consent to relieving a bidder of its bid if the bidder establishes that a mistake was made, which rendered the bid materially different than intended, and the mistake occurred in the filling out of the bid. Public Works believes that B-One has demonstrated that it made a clerical, mathematical error in filling out its bid, which resulted in the bid being substantially less than what it intended. Because no work has yet been performed, and no money has been paid or is owed by the County, Public Works believes that it is in the County's best interest to relieve B-One of its bid and rescind the contract award, and for the contract to be awarded to the next lowest responsive and responsible bidder that is willing to hold its original bid price.

The second lowest bidder is Excel Paving Company (Excel). However, in accordance with the terms of the bid documents, Excel has elected not to hold its original bid price insofar as the maximum 90-day period of bid validity has elapsed. The successive lowest bidder (the overall third lowest bidder) is O'Donnell Construction, Inc. (O'Donnell). Although not required to do so, O'Donnell has voluntarily agreed to extend its bid price of \$213,668 beyond the required 90-day required duration and to enter into a contract in that amount. In this regard, Excel has also confirmed that it does not object to the County awarding the contract to O'Donnell as the next lowest bidder, which is permissible under State Public Contract Code Section 5106. Awarding the contract to O'Donnell will result in an increase of \$66,600 to the total estimated project cost.

The project description, call for bids and bid opening date, tabulation of bids, and financial information are included in the enclosure. The certified record of receipt of bids and the original bid proposal for the project are also enclosed.

The recommended construction contract is necessary to execute a Board directed and approved Public Works project in support of operational missions. The Board's approval of the recommended contract award and the subsequent execution of the contract will ensure the timely completion of the project.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1) and Integrated Services Delivery (Goal 3). By providing the City with County assistance to design, construct, and award this contract, these goals will be promoted by providing improved pedestrian access across the storm channel so that the City and nearby unincorporated County communities, including the motoring public, will benefit.

FISCAL IMPACT/FINANCING

These actions will have no impact to the County General Fund.

The enclosure includes the amount of the recommended contract as compared with the engineer's estimate, the other bids received, and more detailed fiscal and financial information.

On May 29, 2012, Agenda Item 45, the Board adopted Resolution No. 3926 to approve an additional contribution of HTC funds in the amount of \$25,000 resulting in a maximum HTC contribution of \$307,700 to complete the construction of Alosta Avenue Bridge over Little Dalton Wash sidewalk improvement project.

The total project cost is now estimated to be \$498,300, which is an increase of \$66,600. The cost increase is attributable to the additional cost for construction and awarding the contract to the third lowest bidder. Therefore, an additional contribution of \$66,600 of County HTC funds is required to complete this project, increasing the County maximum HTC contribution for this project to \$374,300.

The project is entirely within the City, and the improvements are worthwhile and of general County interest. The City's share is estimated to be \$124,000, and the County's maximum contribution is \$374,300. The City's share of the project cost, estimated to be \$124,000, will be obtained from the United States Government under Title I of the Housing and Community Development Act of 1974, Public Law 93-383 (CDBG), and from other City funds. In addition to the construction contract cost, the total project cost includes the preparation of plans and specifications, consultant services, survey, material testing, construction engineering, inspection, contract administration, change order contingency, contribution to the Contract Cities Liability Trust Fund, and other County services.

The necessary funds required for the preliminary engineering cost of this project were financed by the First Supervisorial District's Road Construction Program in Fiscal Year 2011-12. This project is included in the First Supervisorial District's Road Construction Program in the Fiscal Year 2012-13 Road Fund Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract agreement will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractors are in compliance with the requirements of the Chief Executive Officer and the Board.

The award of the contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. The contract contains terms and conditions supporting the Board's ordinances, policies, and programs including but not limited to: County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and County's Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board directed clauses that provide for contract termination or renegotiation.

The State Public Contract Code requires the County to award a construction contract to the lowest responsive and responsible contractor, which is defined as the firm that: (1) submits the lowest-priced bid; (2) is deemed by the County to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined

by the County to be a responsible bidder by demonstrating the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the work required under the bid solicitation.

To ensure the contracts are awarded to a responsible contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by each respective contractor was considered before making this recommendation to award.

The plans and specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with Public Works.

The proposed amendment to Cooperative Agreement No. 77401 will provide for the County to perform the preliminary engineering and administer the construction contract for the project according to CDBG guidelines and Davis-Bacon requirements. The proposed agreement will further provide for the County to provide HTC funds in the amount of \$348,000 plus contingency amount of \$25,700 for a maximum County contribution of \$374,300 toward the cost of the project and for the City to finance the remaining project cost, currently estimated to be \$124,000. The City's actual share will be based upon a final accounting after completion of the project. The project is scheduled to begin construction in the spring of 2013 and be completed in fall of 2013.

Sections 1685 and 1803 of the California Streets and Highways Code provides that the Board of Supervisors of any county may enter into contracts or agreements with the legislative body of any city for the purpose of more efficient construction or repair of streets and roads within the city.

Section 20395 of the State Public Contract Code allows the Board the ability to delegate authority to the Director or her designee to carry out all aspects of this project consistent with the recommendations contained herein. Granting this authority to the Director or her designee provides an accelerated process for project delivery.

The proposed amendment to Cooperative Agreement No. 77401 will be approved as to form by County Counsel prior to execution by the Director or her designee.

ENVIRONMENTAL DOCUMENTATION

On August 31, 2010, Agenda Item 20, the Board found this project categorically exempt from the provisions of the California Environmental Quality Act.

CONTRACTING PROCESS

The contract was solicited on an open-competitive basis in accordance with the provisions of the State Public Contract Code.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

To further increase contractor awareness of contracting opportunities with Public Works, each of these projects was listed on the County website for upcoming bids.

Public Works will review and approve the performance and payment bonds filed by the contractor.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

When this sidewalk improvement project is completed, it will have a positive impact by providing safer and improved pedestrian access along Alosta Avenue bridge across the Little Dalton Wash storm channel. The proposed work is needed and of general County interest.

CONCLUSION

Please return one adopted copy of this letter and one original resolution to the Department of Public Works, Construction Division.

Respectfully submitted,



GAIL FARBER

Director

GF:JTS:ma

Enclosures

c: Chief Executive Office (Rita Robinson)
County Counsel
Executive Office
Internal Services Department (Countywide
Contract Compliance)

AWARD OF CONTRACT
February 5, 2013

PROJECT ID NO. RDC0015291 – Alostia Avenue Over Little Dalton Wash (in the City of Azusa), Supervisorial District 1.

TYPE OF WORK: Construction of bridge sidewalk and the performance of other appurtenant work.

CALL FOR BIDS DATE: December 13, 2011 (Agenda Item 26)

BID OPENING DATE: January 19, 2012

BID SUMMARY:

Low	O'Donnell Construction, Inc. 559 West Covina Boulevard San Dimas, California 91773 (909) 394-4510	\$213,668.00
2	Waters Edge Construction, Inc.	\$224,000.00
3	Perry C. Thomas Construction, Inc.	\$224,932.00
4	Peterson-Chase General Engineering Construction, Inc.	\$236,308.90
5	4-Con Engineering, Inc.	\$238,895.00
6	Garcia Juarez Construction, Inc.	\$239,658.00
7	Western Structures	\$259,307.00
8	Kormx, Inc.	\$262,934.00
9	G.B. Cooke, Inc.	\$275,520.00
10	John S. Meek Company, Inc.	\$287,395.00

B-One submitted a bid of \$167,068.65 and was awarded the contract on April 18, 2012. However, B-One requested to be relieved of its contract due to a mistake that made the bid lower than intended. Excel submitted a bid of \$195,276. However, in accordance with the terms of the bid documents, Excel has elected not to hold its original bid price insofar as the maximum 90-day period of bid validity has elapsed.

FINANCIAL INFORMATION:

Amount of estimate	\$190,808.00
Amount of recommended contract	\$213,668.00
Amount of recommended contract above estimate	\$ 22,860.00

The amount of the recommended contract is 12 percent above the estimate.

The project is entirely within the City, and the improvements are worthwhile and of general County interest. The City's share is estimated to be \$124,000 and the County's maximum contribution is \$374,300. The City's share of the project cost, estimated to be \$124,000, will be obtained from the United States Government under Title I of the Housing and Community Development Act of 1974, Public Law 93-383 (CDBG) and from other City funds. In addition to the construction contract cost, the total project cost includes the cost of preparation and specifications, consultant services, survey, material testing, construction engineering, inspection, contract administration, change order contingency, contribution to the Contract Cities Liability Trust Fund, and other County services.

The necessary funds required for the preliminary engineering cost of this project were financed by the First Supervisorial District's Road Construction Program in Fiscal Year 2011-12. This project is included in the First Supervisorial District's Road Construction Program in the Fiscal Year 2012-13 Road Fund Budget.

ENVIRONMENTAL IMPACT:

On August 31, 2010, Agenda Item 20, the Board found this project categorically exempt.

CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 55 working days. It is estimated the work will start in May 2013 and be completed in July 2013.

JRP:ma

**RESOLUTION FOR COUNTY OF LOS ANGELES TO CONTRIBUTE
HIGHWAYS-THROUGH-CITIES FUNDING TO THE CITY OF AZUSA
RESOLUTION NO. 3932**

WHEREAS, the Board of Supervisors of Los Angeles County previously contributed a maximum amount of \$307,700 of Highways-Through-Cities funds toward the preliminary engineering, right of way, construction contract administration, and construction contract costs of Alostia Avenue Bridge over Little Dalton Wash sidewalk improvement project; and

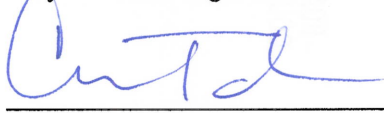
WHEREAS, the Board of Supervisors of Los Angeles County intends to contribute additional Highways-Through-Cities funds estimated to be \$66,600 toward the preliminary engineering, right of way, construction contract administration, and construction contract costs of Alostia Avenue Bridge over Little Dalton Wash sidewalk improvement project;

NOW, THEREFORE, BE IT RESOLVED that the proposed sidewalk improvements of Alostia Avenue Bridge over Little Dalton Wash, within the City of Azusa, is of general County interest and that County aid in the maximum aggregate amount of \$374,300 from the Road Fund shall be provided for this purpose to be expended in accordance with all applicable provisions of law relating to funds derived from the Highway Users Tax.

The foregoing Resolution was adopted on the 5th day of February, 2013, by the Board of Supervisors of the County of Los Angeles and ex-officio of the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.

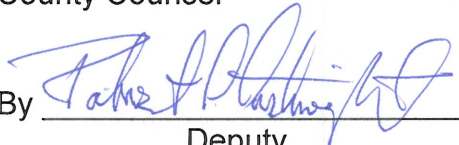


SACHI A. HAMAI
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By 
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By 
Deputy